

Amazon Go stores to accept cash under growing pressure to serve low-income shoppers

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Amazon Go, the app-enabled stores that enable customers to simply walk out with their purchases—no checkout clerk needed—plans to begin accepting cash amid growing criticism that the process discriminates against low-income shoppers.

The streamlined [convenience stores](#), which launched last year, feature meals, snacks, grocery items and at some locations, beer, wine and spirits. Customers grab what they want and computer technology automatically detects which products are taken from the shelves, keeping track in a virtual cart. Shoppers are later billed to their Amazon account.

But such cashless stores are coming under increasing criticism for discriminating against the so-called unbanked—primarily low-income shoppers who do not have a smartphone and access to credit lines.

"We are working to accept cash at Amazon Go," an Amazon spokesperson said in an email Wednesday.

In March, Philadelphia became the first city in the U.S. to ban cashless retail stores, with the law set to take effect July 1. Days later, New Jersey's new governor signed a similar ban into law.

The backlash comes as Amazon has started to aggressively roll out its futuristic convenience stores, with Chicago an important early market. Four of the company's 10 Amazon Go stores are in Chicago, with the others in Seattle and San Francisco. The Chicago stores are in the Loop, Illinois Center and Ogilvie Transportation Center.

A recent survey by the FDIC found that 6.5 percent of households in the

United States were unbanked in 2017, meaning they had no checking or savings accounts. The unbanked rates were much higher among lower-income households.

The unbanked rate in the Chicago area was 6.9 percent, according to the survey.

Beyond Amazon Go, retailers in Chicago have been experimenting with the cashless concept in recent years. Two years ago, Argo Tea, a Chicago-based chain, announced that it would stop accepting cash at certain locations, only to scale back its plan. Sweetgreen, a salad chain that expanded into Chicago, and Epic Burger, have also adopted the cashless payment system.

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